



# **Testimony**

Before the Subcommittee on Government Management, Information, and Technology House Committee on Government Reform

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# FEDERAL ACQUISITION

# Trends, Reforms, and Challenges

Statement of Henry L. Hinton, Jr. Assistant Comptroller General National Security and International Affairs Division





#### Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to be here today to participate in the Subcommittee's hearing on federal acquisition issues. Federal acquisition is an important topic for many reasons, not the least of which is the huge amounts of money involved. The federal government spends nearly \$200 billion annually buying everything from office supplies to sophisticated weapons systems. But more importantly, agencies' success in efficiently acquiring goods and services directly affects their ability to improve government operations and provide better service to the American people. Uneconomical, inefficient, and ineffective acquisition activities undermine the public's confidence in government and waste taxpayer dollars.

My statement today will

- describe the changing acquisition environment,
- summarize recent reform efforts, and
- explore current and future challenges in this area.

The reports I will refer to, as well as several others we have issued on this subject, are listed in attachment II.

## **Summary**

Federal spending for goods and services has changed significantly in recent years. Although the Department of Defense (DOD) remains the dominant federal buyer, accounting for two-thirds of all federal acquisition spending last year, defense acquisition has declined from peak Cold War levels. Spending by civilian agencies has increased moderately. The government as a whole now spends more on services—ranging from basic maintenance, to running computer systems, to operating the space shuttle—than on supplies and equipment. The acquisition process has become more streamlined as new contract vehicles and techniques have allowed agencies to buy what they need much faster than in the past.

Congress and the Administration have taken a number of steps recently to improve federal acquisition. These efforts have focused largely on simplifying the process, particularly for buying commercial products and services, and on attempting to improve decisionmaking in acquiring information technology. But despite recent reforms and the efforts of many dedicated people over the years, the government still does not have a world-class purchasing system. All too often, many of the products and services the government buys cost more than expected, are delivered late, or fail to perform as anticipated. No commercial business would remain viable for very long with results like these. Problems are particularly

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evident in the two areas where most of the dollars are spent: weapons and information technology systems. Significant improvements in these areas—as well as in the skills of the acquisition workforce—are needed in order to produce better outcomes. We have made a number of recommendations over the years to improve acquisition outcomes, including the use by federal agencies of best commercial practices.

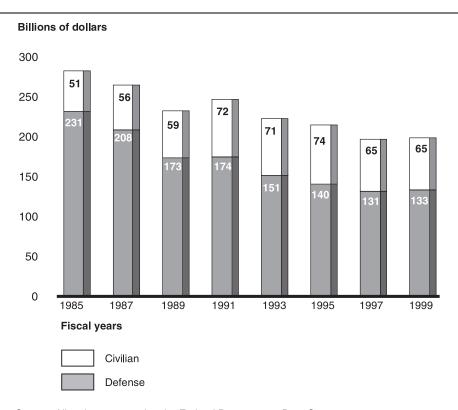
#### The Environment

Before discussing recent changes in federal acquisition in detail, I would like to make a point about the overall government environment of which acquisition is a part. That is, despite today's budget surpluses, the federal government continues to face compelling fiscal pressures. These pressures are likely to continue, if not intensify, particularly in the long term as we address issues such as Social Security and health care for an aging population. Bills also will become due for other efforts, such as environmental clean up, and the DOD plans to spend over \$350 billion on three new tactical aircraft. After a decade of deficit reduction, there are numerous other pent-up demands for using projected budget surpluses. What this means is that government acquisition, a major component of discretionary spending, will have to compete with other funding priorities for scarce federal resources. It is therefore all the more critical that we distinguish between wants and needs, focus on what we can afford, and obtain maximum value and return on taxpayer dollars.

Let me now provide you with some details on how the federal acquisition environment has changed in recent years. Using constant 1999 dollars, figure 1 shows that overall federal contracting has declined from about \$280 billion in fiscal year 1985 to about \$200 billion in fiscal year 1999. During this period, defense acquisition declined nearly \$100 billion, and civilian agency acquisition increased \$14 billion. As a result, the percentage of total contracting dollars spent by civilian agencies has increased from about 18 percent in fiscal year 1985 to about 33 percent in fiscal year 1999.

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Figure 1: Defense and Civilian Agency Contracting Dollars Since the Mid-1980s (in Constant 1999 Dollars)

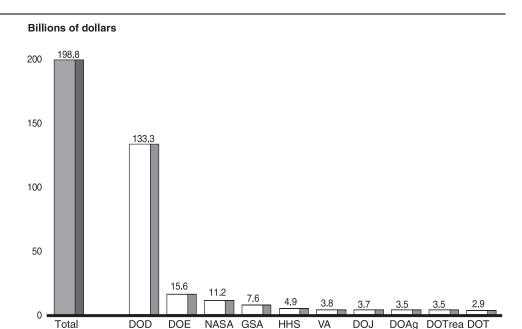


Source: All actions reported to the Federal Procurement Data System.

Although defense acquisition has declined, DOD is still the dominant purchaser in the federal community, accounting for about two-thirds of contracting dollars in fiscal year 1999. Figure 2 shows the top 10 federal agencies, in terms of contracting dollars, in fiscal year 1999.

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Figure 2: DOD Was the Dominant Purchaser in Fiscal Year 1999



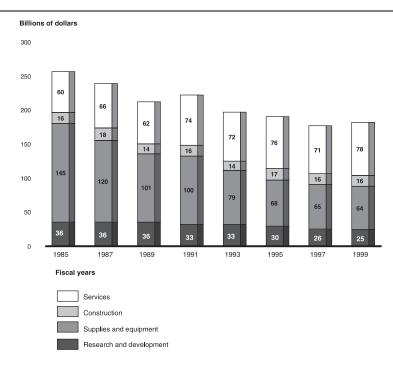
Note: Some agencies do not report to the Federal Procurement Data System. The largest of these agencies, the U.S. Postal Service, spent \$9.1 billion on goods, services, and construction in fiscal year 1999.

Source: All actions reported to the Federal Procurement Data System.

Since the mid-1980s, there has been a gradual shift in what the government buys. In constant 1999 dollars, figure 3 shows that, in fiscal year 1985, supplies and equipment accounted for the bulk of contracting dollars—about \$145 billion, or 56 percent—compared to services, construction, and research and development. By fiscal year 1999, the largest acquisition category was services at \$78 billion, or 43 percent of total spending. Supplies and equipment expenditures were about \$64 billion, or 35 percent. Construction spending remained about \$16 billion. Research and development declined in constant dollar terms from \$36 billion to \$25 billion, but declined only slightly as a percentage of total acquisition spending.

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Figure 3: The Bulk of Contracting Dollars Have Shifted From Supplies and Equipment to Services (Constant 1999 Dollars)

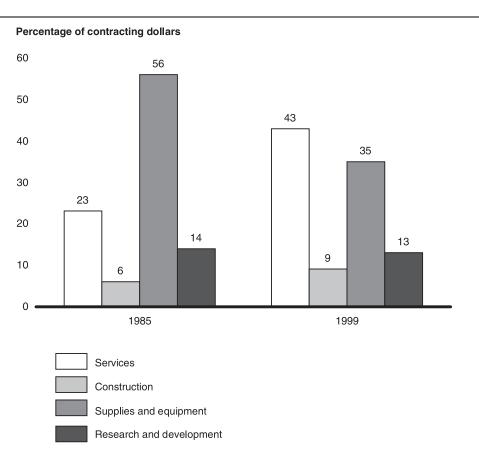


Source: Federal Procurement Data System. These data reflect actions reported to the Federal Procurement Data System, generally excluding those less than \$25,000.

The result of this gradual shift in what the government buys is more dramatically displayed in figure 4. The government now spends more for services than for any other acquisition category.

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Figure 4: Comparing Fiscal Year 1985 With Fiscal Year 1999 Shows the Bulk of Contracting Activity Has Shifted



Source: Federal Procurement Data System. These data reflect actions reported to the Federal Procurement Data System, generally excluding those less than \$25,000. The percentages for 1985 do not total to 100 due to rounding.

One of the top items in the services category is professional, administrative, and management support. Such services would include, for example, a DOD contract for strategic business process reengineering used to acquire contractor assistance in improving business practices and to obtain support for strategic planning, investment analysis, and training. Another large component of services contracting involves managing and operating government facilities, such as national laboratories. The top items in the supply and equipment category in fiscal year 1999 were aircraft and information technology.

In addition to changes in *what* the government buys, we also are seeing changes in *how* the government buys. Agencies are making greater use of contracts awarded by other agencies, as well as federal supply schedule

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contacts¹ awarded by the General Services Administration (GSA). Use of these types of vehicles can reduce acquisition time significantly. For example, a recent GSA study found that it takes only 15 days, on average, to issue an order under a schedule contract versus 268 days to award a contract using the traditional method. Use of GSA federal supply schedules has grown from \$4.5 billion in 1993 to \$10.5 billion in 1999. Most of the growth has been in the area of information technology.

So what does all this mean, what are the implications of these data, and what can we expect in the future? Taken together, the data tell us that the federal acquisition environment is now characterized by a greater reliance on services and information technology. In many ways, these trends in government procurement merely reflect changes in the overall global economy. Because the government is but one of many players in this services- and information-driven economy, it will have to become a smarter, more commercial-oriented buyer. At the same time, the government continues to spend enormous amounts in markets where it remains the only—or at least the dominant—buyer, such as procurements of unique defense and space systems. It is in these areas where vigorous oversight will continue to be needed because competition in these markets often is limited and the government frequently relies on contractor costs in the pricing of contracts.

As we look to the future, there are several trends that bear watching. Contracting for services likely will continue to increase because of further downsizing and initiatives such as the Federal Activities Inventory Reform Act of 1998 (FAIR). This legislation requires agencies to identify functions that could be performed by the private sector. Agency spending on information technology-related goods and services, currently about \$40 billion annually, likely will increase as agencies seek to modernize their equipment and continue to take advantage of the latest technologies. Also, recent budget projections indicate that spending on acquisitions of major defense equipment will likely increase.

We should also expect that electronic commerce will become the preferred approach for accomplishing a variety of procurement tasks, ranging from conducting market research, to selecting suppliers, to placing orders, to making payments online. The Administration has encouraged agencies to use electronic commerce to streamline and improve federal buying practices. With the proliferation of Internet use throughout

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<sup>&</sup>lt;sup>1</sup> GSA negotiates contracts with vendors for a wide variety of mostly commercial-type products and services. These contracts permit other agencies to place orders directly with the vendors.

government, industry, and the public, agencies are seeking to capitalize on electronic commerce capabilities to improve efficiency and economy. At the same time, agencies must understand and manage the challenges and risks of using a global, public, electronic network. To avoid loss of public trust, agencies must strive for reliability, integrity, security, and privacy in all electronic commerce transactions.

### **Acquisition Reforms**

For decades, the federal government has been struggling with an inefficient acquisition system and the resulting negative impact on agency operations. There also is a long history of attempts to improve the acquisition system. Attachment I displays these efforts in a timeline. The 1980s, in particular, witnessed a proliferation of requirements governing almost every aspect of the acquisition process. Some were in response to the stories of excessive prices paid for military spare parts, criminal activity, the frequency of cost overruns, and increasing acquisition delays.

These requirements were enacted to serve valid purposes. For example, the Competition in Contracting Act of 1984, which established the current competitive acquisition system, was enacted after years of congressional concern that, rather than seeking competition, executive agencies relied on sole-source contracts to an unacceptable extent. Audit requirements and cost principles were established to control what the government pays under its contracts. Socioeconomic requirements were designed to promote desirable social objectives, such as enhancing small and minority business participation. In 1988, the Procurement Integrity Act was enacted to ensure that procurement officials do not engage in employment discussions with companies with which they are negotiating contracts or give inside information to contractors.

When all these requirements—as well as others imposed by regulation—were added together, however, some came to believe that the result was a complex and unwieldy system that had become overwrought with tension between the basic goals of efficiency and fairness. Government contracting officials were confronted with numerous mandates that left little room for the exercise of sound business judgment, initiative, and creativity in satisfying the needs of their agency customers. In this environment, there were concerns about the government's ability to take full advantage of the commercial marketplace.

In response to these concerns, Congress enacted two pieces of reform legislation: the Federal Acquisition Streamlining Act (FASA) of 1994 and the Clinger-Cohen Act of 1996. Table 1 summarizes the major changes that were implemented under FASA and the Clinger-Cohen Act.

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Table 1: Major Changes under FASA and the Clinger-Cohen Act

#### Federal Acquisition Streamlining Act of 1994 (FASA)

- •Exempted commercial items from many unique government requirements
- Promoted use of simplified buying procedures for low dollar-value purchases
- Encouraged use of electronic commerce
- •Established statutory framework for task- and delivery-order contracts

#### Clinger-Cohen Act of 1996

- •Devolved information technology procurement authority from GSA to agencies
- •Emphasized accountability, performance, and results-based IT management
- •Allowed contracting officers to select competitive contractors more efficiently
- •Promoted improved performance of the civilian agency acquisition workforce

Congress also has taken other actions to provide agencies more flexibility in acquiring goods and services. For example, Congress has permitted the Federal Aviation Administration to devise its own procurement system outside the usual statutory framework. It also has allowed some agencies to use alternative approaches to contract through so-called "other transactions." These agreements generally are not subject to federal laws and regulations governing standard procurement contracts. One of the intended benefits of using this authority is to attract commercial firms and other organizations that otherwise might not accept a standard contract because of government requirements that they view as unduly burdensome.

In addition to these legislative changes, there have been a number of administrative and regulatory reforms. These include reducing government-mandated product specifications, increasing the use of government purchase cards, and encouraging flexibility and innovation in negotiating contracts.

The United States is not alone in implementing reforms. As you know, Mr. Chairman, we issued a report to you and Congressman Tom Davis last July that discussed procurement reform in four selected countries. These countries—Canada, the United Kingdom, Australia, and New Zealand—have reassessed the role of their central procurement agencies, empowered civil servants to make business decisions, and shifted to greater reliance on the private sector. Although officials in these countries generally were satisfied with the changes, performance data on the effectiveness of the various changes were not yet available.

As with these other countries, it is difficult to provide a full assessment of the impact of reforms because many of them are still being implemented. And, in some cases, there is a lack of reliable baseline data. For example,

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we reported that it was difficult to measure any increase in the government's purchases of commercial items since the 1994 acquisition streamlining act because reliable baseline data were not available. Nevertheless, we are seeing some changes. Agencies have streamlined their acquisition processes, particularly by using governmentwide acquisition contracts and schedule contracts, and thus can get what they need faster. There has also been an increase in agencies' use of purchase cards and electronic commerce as a means of quickly accessing goods and services.

Questions remain, however, about whether these efficiencies have come at the expense of competition and good pricing. For example, we have found that DOD receives few competing proposals on large information technology orders. We also have reported that some contracting officials are having difficulty making the transition from pricing goods and services based on the costs incurred by contractors to a commercial model in which factors other than cost are the principal means used to establish prices. This sometimes resulted in significantly higher prices than previously paid. For example, a defense agency paid \$453 per unit for wiring harnesses for the C-130 aircraft, even though it had paid only \$91 per unit 2 years earlier. The buyer did not use this price history to try to negotiate a lower price. In addition, our reviews of delays and cost overruns at the Department of Energy's (DOE) Idaho and Hanford facilities suggest that DOE personnel lack expertise in administering fixed-price contracts.

## **Major Challenges**

Agencies may be acquiring goods and services faster, but the federal acquisition system still faces a number of significant challenges. In our view, the most significant challenges involve three key areas: improving the outcomes of defense systems acquisitions, acquiring and using information technology, and addressing acquisition workforce issues. In each of these areas, much can be gained from reviewing the practices of leading commercial companies who have learned to use key enablers—process, people, and technology—to produce better outcomes.

### **Defense Systems**

The acquisition reforms to date have focused largely on simplifying the procurement process, particularly for commercial and lower dollar-value items. Our work indicates, however, that far too often the outcomes of high dollar-value acquisitions continue to fall short of expectations. When we compare government acquisition practices to those of leading commercial companies, it is clear that we still have a long way to go.

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For example, we reported in August 1999 that, after five program restructurings, the Army's Comanche helicopter program contains significant risks of cost overruns, schedule delays, and degraded performance. These risks exist because, contrary to the practices of successful commercial companies, program plans call for proceeding with product development before key equipment technologies have matured. In addition, the Army plans to begin production of the Comanche before even starting critical tests needed to determine whether these technologies are mature and will work as designed.

These are not new issues. Similar approaches were used on such troubled programs as the B-2 bomber, the C-17 airlifter, and many others, with similar results. Nor are these results limited to highly sophisticated weapons systems. We recently reported that the Army has purchased more than 6,000 chassis and cargo trailers (shown in figure 5) that, without modifications, cannot be used as planned because they pose a safety risk and could damage the vehicles towing them.

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Figure 5: Cargo Trailer



We have compared the product development practices of leading commercial firms with those used to acquire defense systems. The key differences include the nature of the business case required to support the start of a program, the extent of product knowledge at critical decision points, and the underlying incentives. In general, aspiring defense programs rely on unproven technological advances to successfully compete for limited defense funds. Commercial companies, on the other hand, demand much more knowledge about key technologies before proceeding with the development of new products.

A number of actions are underway to improve DOD's weapons acquisition outcomes, and DOD's leadership is genuinely committed to change. Lasting improvements in the outcomes of acquisition programs will not be

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realized, however, until the incentives that drive behaviors are changed. Specifically, existing incentives to start, fund, and continue weapons acquisition programs must be realigned with desired outcomes. DOD's traditional practice of approving requested programs, and then reducing procurement quantities in the face of budget pressures, just increases unit costs and exacerbates the problem of aging, high-maintenance equipment. Changing the incentives—that is, redefining program success—will take the efforts of Congress as well as of DOD and the military services.

### **Information Technology**

The federal government is increasingly dependent on information technology to improve performance and meet mission goals. Agencies depend heavily on computer systems and networks to implement a vast array of programs supporting, among other things, national defense, revenue collections, and social benefits. Consequently, successfully acquiring and applying modern technology is central to improving government operations and generating better service to the American people. We have documented over many years, however, that

- billions of dollars have been wasted on information technology that failed to deliver expected results,
- poorly defined management processes have fostered suboptimal solutions to agency business needs, and
- unresolved security issues have threatened the integrity of agency operations.

These problems have involved such important functions as air traffic control, tax collection, Medicare transactions, weather forecasting, and national defense. For example, because the Health Care Financing Administration had not adequately reviewed, revised, and improved mission-related and administrative processes before making a significant information technology investment, the agency was forced to terminate an important project after cost estimates had soared from \$151 million to about \$1 billion. At DOD, we found a breakdown in the oversight mechanism for ensuring sound management and development practices for changing hundreds of inefficient information systems. One result of the lack of strong oversight was that a supply management project was abandoned after more than \$700 million had been spent.

Several recent reforms—including the Clinger-Cohen Act of 1996, revisions to the Paperwork Reduction Act, the Government Performance and Results Act, the Chief Financial Officers Act, and the Federal Acquisition Streamlining Act—have helped to instill a much-needed results-oriented approach toward IT acquisitions and in-house development efforts. For

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instance, a key goal of the Clinger-Cohen Act, which is based on best private-sector practices, is that agencies should have processes in place to ensure that IT projects are implemented at acceptable costs and within reasonable time frames, and are contributing to tangible, observable improvements in mission performance.

Some agencies, such as the Internal Revenue Service, have begun to make significant progress in establishing a management framework for making information technology investment decisions. The Federal Aviation Administration has established a structured approach for selecting and controlling its investments, but the approach does not cover all its projects and the agency lacks complete and reliable project information. Other agencies have yet to make significant inroads into implementing the processes and controls needed to manage these acquisitions effectively.

#### **Acquisition Workforce**

Another challenging issue is the capacity of the acquisition workforce to perform effectively in today's dynamic environment. Successfully implementing acquisition reform and achieving good contract management require that agencies have the right people with the right skills. But throughout the federal government there is a looming human capital crisis. In more than 10 years of downsizing, there has been relatively little hiring at the entry level compared with earlier years. As a result, the percentage of the workforce aged 30 and under—the pipeline of future agency talent and leadership—has dropped dramatically, while the percentage of the workforce aged 50 and above grows ever larger. Within the next several years, we can expect to see a huge knowledge drain as many of our more experienced and valued people leave the federal workforce. Unfortunately, the government's hiring, training, and retention practices have not been oriented toward maintaining a balanced, stable workforce and ensuring adequate emphasis on career development, training, and orderly succession planning.

Dealing with this issue throughout the government, including in the acquisition area, will not be easy. Agencies are facing ever-growing public demands for better and more economical delivery of products and services. At the same time, the ongoing technological revolution requires not just new hardware and software, but a workforce with new knowledge, skills, and abilities. And, at the moment, agencies must address these challenges in an economy that makes it difficult to compete for people with the competencies needed to achieve and maintain high performance.

Having a high-quality acquisition workforce—the right people, with the right skills, and the right incentives—will become even more critical in an

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era of increased outsourcing. Federal agencies have been encouraged to conduct public-private competitions to determine the best source to perform commercial type activities, and perhaps realize significant savings. DOD, for example, currently has plans to complete competitive sourcing studies involving over 200,000 positions by 2005, with the expectation of saving about \$11 billion. However, DOD faces significant challenges in launching and completing this magnitude of studies in this timeframe. Depending on the outcomes of these competitions, DOD also could face challenges in overseeing an increased number of contracts.

Few competitive sourcing studies have been planned by other federal agencies. That has the potential to change, however, as federal agencies implement the FAIR Act, which requires federal agencies to identify and publish lists of their commercial activities annually. Our preliminary review of some of the lists has raised questions about how agencies decided which activities to list, and about the usefulness of the lists. While it is difficult to forecast the extent to which listed activities will be the subject of competitive sourcing studies, it is almost certain that any increase in outsourcing will only add to the already challenging contract management workload. Agencies will need to ensure that the acquisition workforce is up to the task.

Past reforms have targeted problems with the acquisition workforce. For example, legislation in 1990 and 1996 established education, training, and experience requirements for entry and advancement in the acquisition career field. Our February 2000 report to this Subcommittee on the implementation of the most recent of these initiatives found that neither of the agencies we reviewed—GSA and the Department of Veterans Affairs—had complete information on the extent to which their acquisition workforces had received required training. In addition, the Office of Federal Procurement Policy had not yet ensured that civilian agencies were collecting and maintaining standardized workforce information, as required by the Clinger-Cohen Act.

Leading private and public organizations realize that their people largely determine their capacity to be successful. They also realize that people are assets whose value can be enhanced through investments such as training. They take a strategic approach to training their people on new practices, and provide customized training targeted to specific needs. Federal agencies need to take a similar approach for acquisition reform to succeed in producing better outcomes.

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#### Conclusion

Far too often, the products and services the government buys cost more than projected, are untimely, or fail to meet expectations. In some cases, agencies wasted billions of dollars on acquisitions that did not improve service to the American public and did not contribute to accomplishing agency missions.

Numerous attempts have been made over the years to improve federal acquisition outcomes, and some progress has been made. Lasting improvements in federal procurement operations offer the potential to save billions of dollars, dramatically improve services to the American public, and strengthen confidence in the accountability and performance of our national government. However, much more needs to be done to achieve real and sustained improvements. It will take time to improve agency procurement operations because the problems we have identified are difficult ones and are deep-rooted in very large programs and organizations. There is much to be learned from the best practices of leading, high-performing private sector organizations. When use of commercial best practices is determined to be appropriate, government agencies should adopt such practices unless there is a compelling reason not to. To ensure that progress continues, sustained management attention and congressional oversight—particularly involving weapons systems, information technology, and human capital issues—will be necessary.

Mr. Chairman, this concludes my prepared statement. I will be happy to respond to any questions you or other Members of the Subcommittee may have.

# Contact and Acknowledgement

For further contacts regarding this testimony, please contact Henry L. Hinton, Jr., at (202) 512-4300. Individuals making key contributions to this testimony included Johana R. Ayers, Jack L. Brock, Jr., David E. Cooper, Ralph C. Dawn, Jr., Louis J. Rodrigues, David E. Sausville, Gerald Stankosky, Bernard L. Ungar, Adam Vodraska, and William T. Woods.

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Figure I.1: Timeline of Selected Acquisition Reform Initiatives

1994

1996

# Timeline of Selected Acquisition Reform Initiatives

**Historical Perspective** 1949 Hoover Commission on Organization of the Executive Branch of the Government Recommended the simplification of the procurement, utilization, and disposal of government property. Led to the enactment of the Federal Property and Administrative Services Act which established GSA. 1962 Truth-In-Negotiations Act (TINA) Required contractors to support their prices with cost and pricing data. 1972 Commission on Government Procurement Recommendations led to establishment of the Office of Federal Procurement Policy and what was to become the Federal Acquisition Regulation. 1984 The Competition in Contracting Act Established the current competitive acquisition and bid protest systems. 1986 The President's Blue Ribbon Commission on Defense Management (the "Packard Commission") Recommended recodifying the federal procurement laws into "a single, consistent, and greatly simplified procurement statute." 1993 **Recent Acquisition** Advisory Panel on Streamlining and Codifying Acquisition Laws pursuant to Section 800 of the National Defense Authorization Act for Fiscal Year 1991 Reform Report called for improving government access to commercial technologies and reducing administrative overhead.

National Performance Review (NPR)

streamlining measures.

a contractor.

Clinger-Cohen Act

Source: GAO Analysis of Selected Acquisition Reform Initiatives.

acquisition of information technology.

Federal Acquisition Streamlining Act (FASA)

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Recommended increased reliance on the acquisition of commercial items and use of other

Streamlined acquisition procedures for commercial items while initiating a computer-based system and placing a greater emphasis upon the use of past performance when selecting

Built upon FASA initiatives by providing certain exemptions for suppliers, simplifying the acquisition of commercial items, and introducing governmentwide reforms for the

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# Related GAO Products

<u>Human Capital: Strategic Approach Should Guide DOD Civilian Workforce Management</u> (GAO/T-GGD/NSIAD-00-120, Mar. 9, 2000).

Acquisition Reform: GSA and VA Efforts to Improve Training of Their Acquisition Workforces (GAO/GGD-00-66, Feb. 18, 2000).

<u>Congressional Oversight: Opportunities to Address Risks, Reduce Costs, and Improve Performance (GAO/T-AIMD-00-96, Feb. 17, 2000).</u>

<u>Budget Issues: Effective Oversight and Budget Discipline Are Essential—Even in a Time of Surplus (GAO/T-AIMD-00-73, Feb. 1, 2000).</u>

<u>Competitive Contracting: Preliminary Issues Regarding FAIR Act Implementation</u> (GAO/T-GGD-00-34, Oct. 28, 1999).

<u>Defense Acquisitions: Army Purchased Truck Trailers That Cannot Be Used as Planned (GAO/NSIAD-00-15, Oct. 27, 1999).</u>

<u>Defense Acquisitions: Comanche Program Cost, Schedule, and Performance Status</u> (GAO/NSIAD-99-146, Aug. 24, 1999).

<u>Best Practices: DOD Training Can Do More to Help Weapon System</u> <u>Programs Implement Best Practices (GAO/NSIAD-99-206, Aug. 16, 1999).</u>

<u>Best Practices: Better Management of Technology Development Can Improve Weapon System Outcomes</u> (GAO/NSIAD-99-162, July 30, 1999).

<u>DOD Competitive Sourcing: Lessions Learned System Could Enhance A-76 Study Process</u> (GAO/NSIAD-99-152, July 21, 1999).

IRS Management: Formidable Challenges Confront IRS as It Attempts to Modernize (GAO/T-GGD/AIMD-99-255, July 22, 1999).

<u>Procurement Reform: How Selected Countries Perform Certain GSA Activities</u> (GAO/GGD-99-109, July 15, 1999).

<u>Contract Management: DOD Pricing of Commercial Items Needs</u> <u>Continued Emphasis</u> (GAO/NSIAD-99-90, June 24, 1999).

<u>Customs Service Modernization: Actions Initiated to Correct ACE</u>
<u>Management and Technical Weaknesses</u> (GAO/T-AIMD-99-186, May 13, 1999).

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Attachment II Related GAO Products

National Laboratories: DOE Needs to Assess the Impact of Using Performance-Based Contracts (GAO/RCED-99-141, May 7, 1999).

<u>Air Traffic Control: FAA's Modernization Investment Management</u> <u>Approach Could Be Strengthened (GAO/RCED/AIMD-99-88, Apr. 30, 1999).</u>

<u>Defense Acquisition: Best Commercial Practices Can Improve Program Outcomes</u> (GAO/T-NSIAD-99-116, Mar. 17, 1999).

F-22 Aircraft: Issues in Achieving Engineering and Manufacturing Development Goals (GAO/NSIAD-99-55, Mar. 15, 1999).

<u>Customs Service Modernization: Serious Management and Technical Weaknesses Must Be Corrected</u> (GAO/AIMD-99-41, Feb. 26, 1999).

High-Risk Series: An Update (GAO/HR-99-1, January 1999).

Major Management Challenges and Program Risks: A Governmentwide Perspective (GAO/OCG-99-1, January 1999).

<u>Major Management Challenges and Program Risks: Department of Defense</u> (GAO/OCG-99-4, January 1999).

<u>Major Management Challenges and Program Risks: Department of Energy</u> (GAO/OCG-99-6, January 1999).

<u>Major Management Challenges and Program Risks: National Aeronautics and Space Administration</u> (GAO/OCG-99-18, January 1999).

OMB Circular A-76: Oversight and Implementation Issues (GAO/T-GGD-98-146. June 4. 1998).

<u>Customs Service Modernization: Architecture Must Be Complete and Enforced to Effectively Build and Maintain Systems</u> (GAO/AIMD-98-70, May 5, 1998).

<u>Defense Acquisition: Improved Program Outcomes Are Possible</u> (GAO/T-NSIAD-98-123, Mar. 18, 1998).

<u>Acquisition Reform: Implementation of Key Aspects of the Federal Acquisition Streamlining Act of 1994</u> (GAO/NSIAD-98-81, Mar. 9, 1998).

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Attachment II Related GAO Products

National Weather Service: Budget Events and Continuing Risks of Systems Modernization (GAO/T-AIMD-98-97, Mar. 4, 1998).

<u>Best Practices: Successful Application to Weapon Acquisitions Requires Changes in DOD's Environment</u> (GAO/NSIAD-98-56, Feb. 24, 1998).

<u>Defense IRM: Poor Implementation of Management Controls Has Put Migration Strategy at Risk</u> (GAO/AIMD-98-5, Oct. 20, 1997).

<u>Defense Acquisition Organizations: Linking Workforce Reductions With Better Program Outcomes</u> (GAO/T-NSIAD-97-140, Apr. 8, 1997).

<u>High-Risk Series: Information Management and Technology</u> (GAO/HR-97-9, February 1997).

<u>Acquisition Reform: Purchase Card Use Cuts Procurement Costs, Improves Efficiency</u> (GAO/NSIAD-96-138, Aug. 6, 1996).

<u>Best Practices Methodology: A New Approach for Improving Government Operations</u> (GAO/NSIAD-95-154, May 1995).

High Risk Series: An Overview (GAO/HR-95-1, February 1995).

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